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**ANNUAL AUDITED REPORT
FORM X-17A-5
PART III**

OMB APPROVAL

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FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**REPORT FOR THE PERIOD BEGINNING 10/01/16 AND ENDING 9/30/17
MM/DD/YY MM/DD/YY**A. REGISTRANT IDENTIFICATION**NAME OF BROKER-DEALER: INTL Custody & Clearing Solutions Inc.

OFFICIAL USE ONLY

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

FIRM I.D. NO.

2 Perimeter Park South, Suite 100W

(No. and Street)

BirminghamAL35243

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Fred Wagstaff (205) 380-1716

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Warren Averett, LLC

(Name - if individual, state last, first, middle name)

2500 Acton RoadBirminghamAL35243

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:



Certified Public Accountant



Public Accountant



Accountant not resident in United States or any of its possessions.

FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

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SECURITIES AND EXCHANGE COMMISSION
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DIVISION OF TRADING & MARKETS

any
11/11/18

OATH OR AFFIRMATION

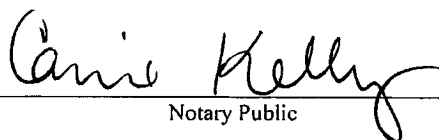
I, C. Fred Wagstaff, III, swear (or affirm) that, to the best of our knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of INTL Custody & Clearing Solutions Inc., as of September 30, 2017, are true and correct. I further swear (or affirm) that neither the Company nor any partner, proprietor, principal officer, or director has any proprietary interest in any account classified solely as that of a customer, except as follows:



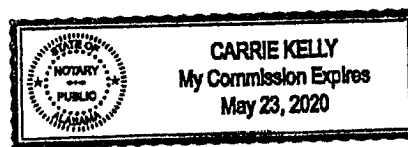
Signature

CFO, INTL Custody & Clearing Solutions Inc.

Title



Notary Public



This report **contains (check all applicable boxes):

- X (a) Facing page.
- X (b) Statement of Financial Condition.
 - (c) Statement of Income (Loss).
 - (d) Statement of Changes in Financial Condition.
 - (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
 - (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
 - (g) Computation of Net Capital.
 - (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
 - (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
 - (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
 - (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- X (l) An Oath or Affirmation.
 - (m) A copy of the SIPC Supplemental Report.
 - (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

****For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3)**



2500 Acton Road
Birmingham, AL 35243
205.979.4100
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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholder
INTL Custody & Clearing Solutions Inc.

We have audited the accompanying statement of financial condition of INTL Custody & Clearing Solutions Inc. (a Delaware corporation) as of September 30, 2017, and the related notes to the financial statement. The financial statement is the responsibility of INTL Custody & Clearing Solutions Inc.'s management. Our responsibility is to express an opinion on this statement of financial condition based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of financial condition is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial position. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement of financial position presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of INTL Custody & Clearing Solutions Inc. as of September 30, 2017 in accordance with accounting principles generally accepted in the United States of America.

Warren Averett, LLC

Birmingham, Alabama
November 22, 2017

INTL Custody & Clearing Solutions Inc.
(A Wholly Owned Subsidiary of INTL FCStone Inc.)
Statement of Financial Condition
September 30, 2017

Assets

Cash and cash equivalents	\$ 1,828,152
Other assets	<u>21,231</u>
Total assets	<u><u>\$ 1,849,383</u></u>

Liabilities and Stockholder's Equity

Due to Parent	\$ 64,228
Income taxes payable	150,086
Other liabilities	<u>97,490</u>
Total liabilities	<u>311,804</u>

Stockholder's equity:

Common stock, \$0.01 par value. 60,000 shares authorized, 2,500 shares issued and outstanding	25
Additional paid-in capital	2,328,849
Accumulated deficit	<u>(791,295)</u>
Total stockholder's equity	<u>1,537,579</u>
Total liabilities and stockholder's equity	<u><u>\$ 1,849,383</u></u>

See accompanying notes to statement of financial condition.

INTL CUSTODY & CLEARING SOLUTIONS INC.
(A Wholly Owned Subsidiary of INTL FCStone Inc.)

Notes to Statement of Financial Condition

September 30, 2017

(1) Organization and Summary of Significant Accounting Policies

(a) *Description of Business and Principles of Consolidation*

INTL Custody & Clearing Solutions Inc. (the Company), a wholly owned subsidiary of INTL FCStone Inc. (INTL or the Parent). The Company is a registered broker/dealer with the Securities and Exchange Commission (SEC) and the Financial Industry Regulatory Authority (FINRA). The Company's principal business activities include the execution of securities transactions for institutional and retail customers introduced by affiliated and nonaffiliated registered broker/dealers, as well as the execution of securities transactions for affiliated and nonaffiliated broker/dealers. All securities transactions are settled through an affiliated clearing broker on a fully disclosed basis.

The Company contracts with INTL FCStone Financial Inc. (IFF), an affiliate, to serve as the clearing and carrying broker, to clear and perform the majority of other back office operations, and to maintain and preserve all books and records required by applicable provisions of law and applicable rules of the SEC. Under the terms of the agreement, the Company has ultimate responsibility for any loss, liability, damage, cost, or expense incurred as a result of the failure of any account to make timely payment for the securities purchased or timely and good delivery of securities sold on the account. Management has not experienced and does not expect significant losses under this agreement.

On July 1, 2017, Sterne Agee & Leach, Inc. (SALI), the Company's former clearing and carrying broker, merged in IFF. Upon this date, IFF assumed the clearing and carrying contract with the Company.

(b) *Use of Estimates in Financial Statements*

The accounting principles used in preparing the statement of financial condition conform with accounting principles generally accepted in the United States of America (U.S. GAAP) and with general practices followed by brokers and dealers in the securities industry. These principles and practices require management to make estimates and assumptions about future events. On an ongoing basis, the Company evaluates its estimates and assumptions, including those related to fair value measurements, allowance for deferred taxes, and contingent liabilities. These estimates and assumptions are based on management's best estimates and judgments. Management adjusts such estimates and assumptions when facts and circumstances dictate. The Company bases its estimates on historical experience and the current economic environment and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities not readily apparent from other sources. Fair value measurements and contingent liabilities are potentially subject to material changes in the near term. Actual results could differ significantly from those estimates.

(c) *Cash and Cash Equivalents*

Cash and cash equivalents include short-term highly liquid investments with original maturities of three months or less.

INTL CUSTODY & CLEARING SOLUTIONS INC.
(A Wholly Owned Subsidiary of INTL FCStone Inc.)

Notes to Statement of Financial Condition

September 30, 2017

(d) Other Assets

Other assets consist primarily of prepaid assets and other receivables.

(e) Subsequent Events

The Company has evaluated subsequent events and their potential effects on the statement of financial condition through the date of the issued financial statement. The Company does not believe there are any material subsequent events that would require further recognition or disclosure to the September 30, 2017 statement of financial condition.

(f) Recent Accounting Pronouncements

In October 2016, Financial Accounting Standards Board (FASB) issued ASU 2016-16, Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory. This ASU requires entities to recognize at the transaction date the income tax consequences of intercompany asset transfers other than inventory. This ASU is effective for public business entities for annual and interim periods in fiscal years beginning after December 15, 2017. The adoption of this standard should be applied on a modified retrospective basis through a cumulative-effect adjustment directly to retained earnings as of the beginning of the period of adoption. The Company expects to adopt this guidance starting October 1, 2018. The adoption of this standard is not expected to have a material impact on the statement of financial condition of the Company.

In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers (Topic 606). ASU 2014-09 completes the joint effort by the FASB and International Accounting Standards Board (IASB) to improve financial reporting by creating common revenue recognition guidance for GAAP and International Financial Reporting Standards (IFRS). In March 2016, the FASB issued ASU 2016-08, "Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (Reporting Revenue Gross versus Net)." ASU 2016-08 clarifies the implementation guidance on principal versus agent considerations. In April 2016, the FASB issued ASU 2016-10, "Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing." ASU 2016-10 clarifies the implementation guidance on identifying performance obligations. These ASUs apply to all companies that enter into contracts with customers to transfer goods or services. These ASUs are effective for public entities for interim and annual reporting periods beginning after December 15, 2017. Early adoption is permitted only as of annual reporting periods beginning after December 15, 2016, including interim periods within that reporting period. The Company expects to adopt this guidance starting October 1, 2018. Entities have the choice to apply these ASUs either retrospectively to each reporting period presented or by recognizing the cumulative effect of applying these standards at the date of initial application and not adjusting comparative information. The Company plans to adopt the new standard using the modified retrospective method which will result in a cumulative effect adjustment as of the date of adoption. By selecting this adoption method, the Company will disclose the amount, if any, by which each financial statement line item is affected by the standard in the current reporting period as compared with the guidance that was in effect before adoption. Our implementation efforts include identifying revenues and costs within the scope of the ASU, reviewing contracts, and analyzing any changes to its existing revenue recognition

INTL CUSTODY & CLEARING SOLUTIONS INC.
(A Wholly Owned Subsidiary of INTL FCStone Inc.)

Notes to Statement of Financial Condition

September 30, 2017

policies. As a result of the initial evaluation performed, the Company does not expect that there will be material changes to the timing of revenue, but does anticipate additional disclosures to be provided in our financial statements after adoption of the new standard. The Company is continuing to assess the impact of the new standard as we progress through the implementation process and as industry interpretations are resolved.

(2) Regulatory Requirements

The Company is subject to the SEC's Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital and which requires a ratio of aggregate indebtedness, as defined, of not more than 15 times net capital, as defined. At September 30, 2017, the Company had net capital of \$1,516,348, which was \$1,466,348 in excess of required net capital.

The Company claims an exemption from the provisions of the SEC's Customer Protection-Reserves and Custody of Securities Rule (Rule 15c3-3) pursuant to Section (k)(2)(ii) of that Rule.

(3) Commitments and Contingencies

The Company, in its capacity as a broker/dealer and underwriter, is subject to litigation and various claims in the ordinary course of business, as well as regular examination by regulatory agencies. Management does not expect that the resolution of any litigation or regulatory matters will have a material impact on the Company's financial position.

(4) Related-Party Transactions

SALI, IFF and INTL provided/provides management, consulting, and financial services to the Company. Such services include, but are not necessarily limited to, advice and assistance concerning any and all aspects of the operation, planning, and financing of the Company.

SALI and IFF provided/provides office space, communications, and clearing services to the Company in the normal course of operations.

Cash and cash equivalents are held in accounts with IFF. IFF serves as the custodian for the Company for securities, cash, and other property owned by or in fiduciary accounts. IFF occasionally maintains cash balances in excess of the insured limits of the Federal Deposit Insurance Corporation. However, management has not and does not expect to incur any losses related to the excess cash balances.

(5) Income Taxes

The Company is included in the consolidated federal income tax return filed by INTL. Federal income taxes are calculated as if the companies filed on a separate return basis, and the amount of current tax or benefit calculated is either remitted to or received from INTL. The amount of current and deferred taxes payable or refundable is recognized as of the date of the statement of financial condition, utilizing currently enacted tax laws, and rates.

INTL CUSTODY & CLEARING SOLUTIONS INC.
(A Wholly Owned Subsidiary of INTL FCStone Inc.)

Notes to Statement of Financial Condition

September 30, 2017

Deferred tax assets and liabilities are determined under the asset-liability method based on the differing bases of assets and liabilities for financial reporting and income tax reporting purposes using enacted tax rates in effect for the applicable tax periods, accordingly the Company has recorded the following:

	September 30, 2017
Deferred tax liability:	
Federal	\$ (4,942)
State	<u>(501)</u>
Total deferred tax liability	<u>\$ (5,443)</u>

ASC 740 defines the threshold for recognizing the benefits of tax return positions in the statement of financial condition as “more-likely than-not” to be sustained by the taxing authority. This section also provides guidance on the derecognition, measurement, and classification of income tax uncertainties in interim periods. As of September 30, 2017, the Company had no unrecognized tax benefits related to federal or state income tax matters. With few exceptions, the Company’s tax returns for tax years prior to 2011 are no longer subject to income tax examinations by the U.S. federal, state, or local tax authorities. The Company accounts for interest and penalties as a component of income tax expense. INTL has filed tax returns through calendar year ended September 30, 2016.

November 22, 2017

To the Board of Directors
INTL Custody & Clearing Solutions Inc.

In connection with our audit of the financial statements and supplemental information of INTL Custody & Clearing Solutions Inc. for the year ended September 30, 2017 and have issued our report thereon dated November 22, 2017. Professional standards require that we provide you with the following information related to our audit.

We have provided our communication to the Board of Directors, in our letter dated September 29, 2017, regarding our overall audit strategy, timing of the audit and significant risks of the audit.

Significant and Critical Accounting Policies and Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The Company's significant accounting policies are disclosed in the notes to the financial statements as required by generally accepted accounting principles pursuant to Rule 17a-5 under the Securities and Exchange Act of 1934. No new accounting policies were adopted and the application of existing accounting policies was not changed during 2017. We noted no transactions entered into by the Company during the year for which accounting policies are controversial or for which there is a lack of authoritative guidance or consensus or diversity in practice.

Critical accounting policies and practices are those that are both most important to the portrayal of the Company's financial condition and results and require management's most difficult, subjective, or complex judgments, often as a result of the need to make estimates about the effects of matters that are inherently uncertain. The critical accounting policies used by INTL Custody & Clearing Solutions Inc. in its 2017 financial statements are described in Note 1 to the financial statements.

Critical Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Critical accounting estimates are estimates for which (1) the nature of the estimate is material due to the levels of subjectivity and judgment necessary to account for highly uncertain matters or the susceptibility of such matters to change and (2) the impact of the estimate on financial condition or operating performance is material. The Company's critical accounting estimate affecting the financial statements was:

Management's estimates of the deferred taxes (allowance for deferred tax assets, if any), fair value measurements and contingent liabilities. The deferred tax assets and liabilities are determined under the asset-liability method based on the differing bases of assets and liabilities for financial reporting and income tax reporting purposes using enacted tax rates in effect for the applicable tax periods. Management has concluded that the realization of the deferred tax assets is more likely than not based on historical taxable income and budget projections; for the fair value measurements and contingent liabilities, management's estimates are based on its judgments as to the carrying value of assets and liabilities not readily apparent from other sources and these values are potentially subject to material changes in the near term. We evaluated the key factors and assumptions used to develop the estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

Significant Unusual Transactions

For purposes of this letter, professional standards define *significant unusual transactions* as transactions that are outside the normal course of business for the Company or that otherwise appear to be unusual due to their timing, size or nature. We noted no significant unusual transactions during our audit.

Related-party Relationships and Transactions

As part of our audit, we evaluated the Company's identification of, accounting for, and disclosure of the Company's relationships and transactions with related parties as required by professional standards. We noted no related parties or related-party relationships or transactions that were previously undisclosed to us; significant related-party transactions that have not been approved in accordance with the Company's policies or procedures or for which exceptions to the Company's policies or procedures were granted; or significant related-party transactions that appeared to lack a business purpose.

Quality of the Company's Financial Reporting

Management is responsible not only for the appropriateness of the accounting policies and practices, but also for the quality of such policies and practices. Our responsibility under professional standards is to evaluate the qualitative aspects of the company's accounting practices, including potential bias in management's judgments about the amounts and disclosures in the financial statements, and to communicate the results of our evaluation and our conclusions to you. The financial statements disclosures are neutral, consistent, and clear.

Uncorrected and Corrected Misstatements

Professional standards require us to accumulate misstatements identified during the audit, other than those that are clearly trivial, and to communicate accumulated misstatements to management. The schedule below summarizes the uncorrected misstatements that we presented to management, other than those that are clearly trivial, that, in our judgment, may not have been detected except through our auditing procedures. The effects of an uncorrected misstatement is immaterial to the financial statements as a whole. The uncorrected misstatement related to expenses from that were recorded in the current year and expenses not recorded in the current year. These uncorrected misstatement represents approximately \$9,000 or 0.59% of net capital. The uncorrected misstatement related to a difference in the computation of net capital reported in the current year financial statements and the FOCUS Report as of September 30, 2017 is related to the recording of a deferred tax liability and income tax expense. The total net difference represents approximately \$26,000 or 1.73% of net capital.

Management has determined that the effects of the uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit.

Exceptions to Exemption Provisions

In connection with our review of the Company's Exemption Report, as required by SEC Rule 17a-5, we did not identify any exceptions to the exemption provisions that would cause the Company's assertions, not to be fairly stated, in all material respects.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no disagreements with management arose during the course of our audit.